



**LIMPOPO**  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF  
**EDUCATION**

**NATIONAL  
SENIOR CERTIFICATE**

Stanmorephysics.com  
**GRADE11**

**BUSINESS STUDIES  
CONTROLLED TEST 1  
QUESTION PAPER**

**DATE: MARCH 2025**

Stanmorephysics.com

**MARKS: 100**

**TIME: 1h30 minutes**

This question paper consists of **09** pages.

## INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers the following section:

SECTION A: COMPULSORY

SECTION B: Consist of THREE questions.

Answer any TWO of the three questions in this section.

SECTION C: Consist of TWO questions.

Answer any ONE of the two questions in this section.

2. Read the instructions for each question carefully and take particular note of what is required.

3. Number the answers correctly according to the numbering system used in this question paper. No marks will be awarded for answers that are numbered incorrectly.

4. Except where other instructions are given, answers must be in full sentences.

5. Use the mark allocation and nature of each question to determine the length and depth of an answer.

6. Use the table below as a guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME
A: Objective type questions COMPULSORY	1	20	18 Minutes
B: THREE direct/indirect Type questions CHOICE (Answer any TWO.)	2	20	18 Minutes
	3	20	18 Minutes
	4	20	18 Minutes
C: TWO essay – type Questions CHOICE (Answer any ONE.)	5	40	36 Minutes
	6	40	36 Minutes
<b>TOTAL</b>		<b>100</b>	<b>90 Minutes</b>

7. Begin the answer to EACH question on a NEW page, for example QUESTION 1 – new page, QUESTION 2 – new page, et cetera.

8. You may use a non-programmable calculator.

9. Write neatly and legibly.

## SECTION A: COMPULSORY

### QUESTION 1

1.1 Four possible options are provided as answers to the following questions.

Choose the answer and write the letter (A-D) next to the question number, **for example 1.1.6 E**

1.1.1 Moropa Archar (MA) experiences lower levels of productivity due to high employee absenteeism. MA is affected by the ... environment.

- A primary
- B market
- C macro
- D micro

1.1.2 Political strike targeting the official opening ceremony of a local business mall relate to ... environment.

- A macro
- B market
- C tertiary
- D micro

1.1.3 ... two businesses of similar sizes willingly combine to become one.

- A hedging
- B takeover
- C merger
- D alliances

1.1.4 King Monada music artist has lodged a complaint that DJ Sejagobe remixed his without his permission. His complaint is based on ...

- A piracy
- B trademark
- C patent
- D copyright

1.1.5 The way of forming power relations on how businesses must invest time and energy to recruit the right person for the job, is through ...

- A strategic alliance
- B company representatives influence
- C organisational design and flexibility
- D government representatives influence

**(5x2) (10)**

1.2. Complete the following statements by using the word (s) in the list below.

Write only word (s) next to the question number (1.2.1- 1.2.5) in your  
**ANSWER BOOK**

primary; customers; micro; changes in consumer behaviour; Industrial relations;  
management structures; secondary; macro; Industrial action, psychographics

- 1.2.1 ... relates to one of the components of the market environment.
- 1.2.2 Polokwane Sand specialises with sales of sand collected from the local river. It operates in the ... sector.
- 1.2.3 Batlokwa fast food studied the attitudes and tastes of their target market. This is an example of ...
- 1.2.4 The interaction between the employees and management is known as ...
- 1.2.5 The business has full control over the ... environment.

**(5x2) (10)**

**TOTAL MARKS: 20**

## SECTION B

ANSWER ANY TWO QUESTIONS IN THIS SECTION.

NOTE: Clearly indicate the QUESTION NUMBER of each question that you choose. The answer of EACH question must start on a new page, e.g QUESTION 2 on a new page, QUESTION 3 on a new page.

### QUESTION 2: BUSINESS ENVIRONMENTS

- 2.1 Give any FOUR examples of contemporary legislation that may affect business operations (4)
- 2.2 Explain globalisation/international challenges as one of the macro environment challenge (6)
- 2.3 Read the scenario below and answer the question that follows

#### MONSTER FISH AND CHIPS (MFC)

MFC has been selling fried fast food in a mobile kitchen next to Kgapane shopping complex over the past five years. Recently MFC appointed a new manager who is the son of the owner of MFC with no relevant skills. A new fried food restaurant started operating two weeks ago, when government announced higher minimum wage.

Use the table below as a guide to answer the questions that follow.

CHALLENGES (2.3.1)	BUSINESS ENVIRONMENTS	EXTENT OF CONTROL (2.3.2)
	Micro	
	Market	
	Macro	

- 2.3.1 Quote ONE challenge in each business environment that MFC has to deal with from the scenario above. (3)
- 2.3.2 State the extent of control MFC has over EACH business environment. (3)
- 2.4 Advise on the advantages of businesses that are involved in the macro environment. (4)

**(20 MARKS)**

**QUESTION 3: BUSINESS ENVIRONMENTS**

3.1 Give any FOUR examples of networking in the business. (4)

3.2 Read the scenario below and answer the questions that follow.

**Mogwadi Machine Manufacturers (MMM)**

MMM invented a special coin-operated machine that will be leased to restaurants. The management of MMM applied for the sole right to own the machine and to prevent others from making their invention.

3.2.1 Identify the solution to piracy from the above scenario. (2)

3.2.2 Explain the solution to piracy identified in 3.2.1 above. (4)

3.3 Discuss persuasion of large investors as one of the ways businesses form power relations. (4)

3.4 Suggest ways in which businesses can have a direct influence on the environment. (6)

**[20]**

**QUESTION 4: MISCELLENEOUS**

**BUSINESS ENVIRONMENTS: (Influence on and control factors relating to the business environment and challenges of the business environments)**

- 4.1 List TWO components of the micro environment (2)
- 4.2 Outline the advantages of networking in the business. (4)
- 4.3 Differentiate between strike and go-slow. (4)

**BUSINESS ENVIRONMENTS: (Adapting to challenges of the business environment; impact and challenges of contemporary socio-economic issues on business operation and business sectors)**

- 4.4 Read the scenario below and answer questions that follow.

**Moloko Bus Service (MBS)**

Pretty, a cashier at MBS, issues some receipts for money collected for weekly tickets from her own receipt book. She then deposits the money into her personal account.

- 4.4.1 Identify the socio-economic issue discussed in the above scenario. (2)
- 4.4.2 Discuss the impact of the socio-economic issue identified in 4.4.1 above on the business. (4)
- 4.5 Suggest the reasons why businesses lobby. (4)

**(20 MARKS)**

**TOTAL SECTION B: [40]**

## SECTION C

### ANSWER ONE QUESTION IN THIS SECTION.

NOTE: Clearly indicate the QUESTION NUMBER of each question chosen. The answer to the question must start on a NEW page, e.g **QUESTION 5 on a NEW page** or **QUESTION 6 on a NEW page**.

#### QUESTION 5: BUSINESS ENVIRONMENTS

The market and macro environments pose many challenges on business operations. Businesses should have clear understanding of various component of business environment they are involved and way to be involved to their benefits

Write an essay on the market and macro-environment on the following aspects:

- Outline the components of the macro-environments
- Explain reasons why business have less control over the market environment and no control over the macro-environment
- Discuss the following challenges of the market environment:
  - Competition.
  - Socio-cultural factors
- Suggest ways in which business can overcome competition in the market.

[40]

#### QUESTION 6: BUSINESS ENVIRONMENTS

All businesses strive for an environment where there are good labour relations between the community, the employer and the employees. Cordial relationships with trade unions lead to higher productivity, profitability and the absence of industrial actions. Businesses should also undertake projects that can benefit the community in which they operate.

Write an essay on adapting to challenges of the business environment in which you include the following aspects:

- Outline the roles of trade unions in the workplace.
- Discuss the purpose of the Labour Relations Act
- Explain the functions of trade unions
- Recommend projects that can be undertaken by businesses as part of social responsibility.

[40]

**TOTAL SECTION C: 40**

**GRAND TOTAL: 100**



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**GRADE 11**

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**BUSINESS STUDIES  
CONTROLLED TEST 1  
MARKING GUIDELINES**

*Stanmorephysics.com*

**MARKS: 100**

**This Marking Guideline consist of 17 pages**

**NOTES TO MARKERS**

1. Candidates' responses must be in full sentences for SECTIONS B and C. However, this would depend on the nature of the question.
2. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:
  - Uses a different expression from that which appears in the marking guidelines
  - Comes from another source
  - Original
  - A different approach is used

**NOTE: There is only ONE correct answer in SECTION A.**

3. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
4. The word 'Sub max' is used to facilitate the allocation of marks within a question or sub-question.
5. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
6. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
7. In an indirect question, the theory as well as the response must be relevant and related to the question.
8. Correct numbering of responses to questions is recommended in SECTION A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.
9. No additional credit must be given for repetition of facts. Indicate with an 'R'.
  - 9.1 The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
  - 9.2 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g. Positive: 'COIDA eliminates time and costs spent ✓ on lengthy civil court proceedings.' ✓
  - 9.3 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g. 'COIDA eliminates time and costs spent ✓ on lengthy civil court proceedings ✓, because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.' ✓

- NOTE:**
1. The above could apply to 'analyse' as well.
  2. Note the placing of the tick (✓) in the allocation of marks.

10. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the marking guidelines and the context of each question.

Cognitive verbs, such as:

10.1.1 Advise, name, state, mention, outline, motivate, recommend, suggest, (list not exhaustive) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.

10.1.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, justify, analyse, evaluate, critically evaluate (list not exhaustive) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.

11. Mark only the **FIRST** answer where candidates offer more than one answer for SECTION B and C questions that require one answer.

## 12. SECTION B

12.1 If for example, **FIVE** facts are required, mark the candidate's **FIRST FIVE** responses and ignore the rest of the responses. Indicate by drawing a line across the unmarked portion or use the word 'Cancel'.

**NOTE:** This applies only to questions where the number of facts is specified.

12.2 If two facts are written in one sentence, award the candidate **FULL** credit. Point 13.1 above still applies.

12.3 If candidates are required to provide their own examples/views, brainstorm this at the marking centre to finalise alternative answers.

### 12.4 Use of the cognitive verbs and allocation of marks:

12.4.1 If the number of facts is specified, questions that require candidates to 'describe/discuss/explain' may be marked as follows: • Fact 2 marks (or as indicated in the marking guidelines) • Explanation 1 mark The 'fact' and 'explanation' are given separately in the marking guidelines to facilitate mark allocation.

12.4.2 If the number of facts required is not specified, the allocation of marks must be informed by the nature of the question and the maximum mark allocated in the marking guidelines.

12.5 **ONE** mark may be awarded for answers that are easy to recall, requires one word answers or is quoted directly from a scenario/case study. This applies to **SECTIONS B and C in particular (where applicable).**

## 13. SECTION C

14.1 The breakdown of the mark allocation for the essays is as follows:

Introduction	<b>Maximum: 32</b>
Content	
Conclusion	
Insight	<b>8</b>
<b>TOTAL</b>	<b>40</b>

## 14.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body, and a conclusion?	2
	<p>Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked?</p> <p>Marks to be allocated using this guide:</p> <p>All headings addressed:1 (One 'A') Interpretation (16 to 32 marks):1 (One 'A')</p>	2
Synthesis	<p>Are there relevant decisions/facts/responses made based on the questions?</p> <p>Marks to be allocated using this guide: No relevant facts: 0 (Two '-S') Some relevant facts: 1 (One '-S') Only relevant facts: 2 (No '-S')</p> <p><b>Option 1:</b> Where a candidate answers 50% or more of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis.</p> <p><b>Option 2:</b> Where a candidate answers less than 50% of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis.</p> <p><b>Option 3:</b> Where a candidate answers less than 50% of the question with no relevant facts; two '-S' appear in the left margin. Award a ZERO mark for synthesis.</p>	2
Originality	Is there evidence of examples, recent information, current trends and developments?	2
	<p><b>TOTAL FOR INSIGHT:</b></p> <p><b>TOTAL MARKS FOR FACTS:</b></p> <p><b>TOTAL MARKS FOR ESSAY (8 + 32):</b></p>	<p><b>8</b></p> <p><b>32</b></p> <p><b>40</b></p>

**NOTE:**

1. No marks will be awarded for contents repeated from the introduction and conclusion.
2. The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.
3. No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.

- 14.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O').
- 14.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guidelines to each question.
- 14.5 Mark all relevant facts until the SUBMAX/MAX mark in a subsection has been attained. Write SUBMAX/MAX after maximum marks have been obtained, but continue reading for originality "O".
- 14.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

CONTENT	MARKS
Facts	32 (max.)
L	2
A	2
S	2
O	2
<b>TOTAL</b>	<b>40</b>

- 14.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same subheadings. Remember, headings and subheadings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought. (See MARK BREAKDOWN at the end of each question.)
- 14.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 14.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guidelines.
- 14.10 14.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 14.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy, ✓ where businesses aim to introduce new products into existing markets.' ✓
- This will be informed by the nature and context of the question, as well as the cognitive verb used.
- 14.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.

**SECTION A (COMPULSORY)**

**QUESTION 1**

1.1

1.1.1 D✓✓

1.1.2 A✓✓

1.1.3 C✓✓

1.1.4 D✓✓

1.1.5 B✓✓

(5X2)(10)

1.2

1.2.1 customers✓✓

1.2.2 primary✓✓

1.2.3 psychographics ✓✓

1.2.4 Industrial relations ✓✓

1.2.5 micro✓✓

(5X2)(10)



**TOTAL SECTION A: 20**

QUESTION 1	MARKS
1.1	10
1.2	10
<b>TOTAL</b>	<b>20</b>

**SECTION B**

**ANSWER ANY TWO QUESTIONS IN THIS SECTION.**

NOTE: Clearly indicate the QUESTION NUMBER of each question that you choose. The answer of EACH question must start on a new page, e.g QUESTION 2 on a new page, QUESTION 3 on a new page.

**QUESTION 2: BUSINESS ENVIRONMENTS**

**2.1 Examples of contemporary legislation that may affect business operation**

- National Credit Act✓
- Consumer Protection Act✓
- Employment Equity Act✓
- Broad Based Black Economic Empowerment Act✓
- Basic Conditions of Employment Act✓
- Labour Relations Act✓
- Skills Development Act✓
- Compensation for Occupational Injuries and Diseases Act/COIDA✓

**NOTE: Mark the first FOUR (4) only.**

**(1 x 4) (4)**

**2.2 Globalisation/international as a challenge of the macro environment**

- Globalisation refers to the exchange of products/services/capital and labour ✓ across boundaries/countries. ✓
- Local businesses are competing with international businesses ✓ for local consumers ✓
- Businesses should be aware of global networks ✓ and their effects. ✓
- The overseas migration of skilled labour ✓ can result in local skills shortage. ✓
- This means more competition for businesses ✓ that are already under pressure to compete locally. ✓
- Some international businesses dump their product lines in South Africa ✓ at the price lower than those at which local businesses can afford to sell them. ✓
- Any other relevant answer related to globalization/international as one of the macro environment challenges.

**Max (6)**

**2.3**

<b>CHALLENGES (2.3.1)</b>	<b>BUSINESS ENVIRONMENTS</b>	<b>EXTENT OF CONTROL (2.3.2)</b>
"MFC appointed a new manager who is the son of the owner of MFC with no relevant skills" ✓	Micro	Full control ✓
"A new fried food restaurant started operating two weeks ago" ✓	Market	Partial/ limited/less control ✓
"when government announced higher minimum wage" ✓	Macro	No control ✓
<b>Sub max. 3</b>		<b>Sub max. 3</b>

**Max (6)**

**2.4 Advantages of businesses that are involved in the macro environment**

- They will gain good publicity ✓ and so attract and retain loyal customers. ✓
- They will attract and retain skillful employee ✓ in their communities. ✓
- Government tenders and contracts are normally given to businesses ✓ that are involved in the macro environment. ✓
- Businesses that support their communities ✓ normally get some tax rebates. ✓
- Businesses that get involved in the macro environment ✓ can anticipate likely challenges and devise strategies to turn them into opportunities. ✓
- Top investors are attracted to businesses ✓ that are involved in the macro environment. ✓
- It prevents environmental damage ✓ by decreasing the business' carbon footprint. ✓
- Knowing people's age, gender, customs, traditions, and preferences ✓ will make it easier for businesses to appeal to customers. ✓
- Any other relevant answer related to the advantages of businesses that are involved in the macro environment.

**Max (4)**

**(20 MARKS)**



QUESTION	MARKS
2.1	4
2.2	6
2.3	6
2.4	4
<b>TOTAL</b>	<b>20</b>

### QUESTION 3: BUSINESS ENVIRONMENTS

#### 3.1 Examples of networking

- Formal networking: Organised local, provincial and national chambers of business, industry and commerce. ✓
- Informal networking: Social and less organised coordination. ✓
- For instance business managers often network while playing golf, attending sports events or getting involved in social programmes. ✓
- Social media and the internet: New and cheap ways of businesses to network via online forums and business groups. ✓
- Any other relevant answer related to examples of networking.

**NOTE: Mark the first FOUR (4)**

**( 1x4) (4)**

#### 3.2

##### 3.2.1 Patent ✓✓

**(2)**

##### 3.2.2 A patent as a solution to piracy

- A patent prevents other businesses/people not to produce ✓ and sell the same product/specific service. ✓
- Businesses can take out a patent for new inventions ✓ and include a sample of their invention with application. ✓
- They must register a patent ✓ with the Patents Office in South Africa. ✓
- The invention must comply ✓ with the Patent Act No. 57 of 1978. ✓
- They can bring legal proceedings ✓ against anyone who uses the invention. ✓
- Any other relevant answer related to a patent as a solution to piracy.

**Sub-max.(4)**

**Max (6)**

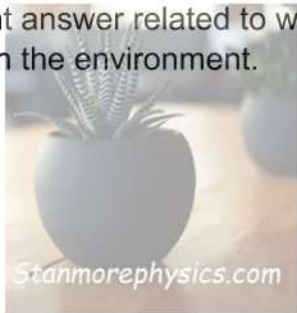
#### 3.3 Persuasion of large investors as one of the ways businesses form power relations.

- If a business has a powerful investor, the business can often benefit from the relationship ✓ so that it can gain credit more easily and better deals from suppliers. ✓
- Businesses invite powerful influential people to sit on their Board of Directors ✓ in order to get advice from those people. ✓
- Having such power as part of the business may have a positive influence on the reputation ✓ and image of the business. ✓
- If a business has a large/powerful investor, the business can gain credit more easily ✓/get better deals from suppliers. ✓
- Any other relevant answer related to persuasion of large investors as one of the ways businesses form power relations.

**Max.(4)**

**3.4 Ways in which businesses can have a direct influence on the environment**

- Businesses need to be flexible by getting involved in research/development so that they can continue to operate. ✓✓
- Influence its suppliers by signing long term contracts. ✓✓
- Create new uses for a product by finding new customers. ✓✓
- Influence regulators through lobbying and bargaining. ✓✓
- Initiate bargaining sessions between management and unions. ✓✓
- Influence its owners' using information contained in annual reports. ✓✓
- Negotiate strategic alliance agreement through contractual processes. ✓✓
- Any other relevant answer related to ways in which businesses can have a direct influence on the environment.



**Max. (6)**

QUESTION	MARKS
3.1	4
3.2	
3.2.1	2
3.2.2	4
3.3	4
3.4	6
<b>TOTAL</b>	<b>20</b>

**[20]**

**QUESTION 4 BUSINESS ENVIRONMENTS**

**4.1 TWO components of the micro environment**

- The business mission and objectives ✓
- its management structure ✓
- its resources and its culture are primarily controlled by the enterprise's management ✓

**NOTE: Mark the first TWO (2) (1x2) (2)**

**4.2 The advantages of networking in the business.**

- Businesses can be attract new customers resulting to increased market share and profitability. ✓✓
- Networking can be an excellent source of new perspectives and business ideas. ✓✓
- Allows managers to build new businesses relationships and generate new business opportunities. ✓✓
- Plays a role in the marketing and expansion of a business. ✓✓
- Assists businesses in making future business decisions. ✓✓
- Businesses can gain support when representation to various authorities is planned. ✓✓
- Any other answer related to the advantages of networking

**Max (4)**

4.3 Differentiate between strike and go-slow

STRIKE	GO-SLOW
-Temporary collective refusal of employees to work. ✓	-The employees still carry on with their work, but at a much slower pace than normal. ✓
-A collective, organised cessation of work by employees to force the employers to accept their demands. ✓	-The employees aim to disrupt the workplace production. ✓
-Workers will not be fired if they participate in a protected strike ✓	-Workers participating in a go-slow are often punished , sometimes fired ✓
- Any other relevant answer on strike	- Any other relevant answer on go-slow
<b>Sub-max. (2)</b>	<b>Sub-max (2)</b>

**Max (4)**

**BUSINESS ENVIRONMENTS:**

4.4

4.4.1 Economic crime ✓✓ **(2)**

4.4.2 **Impact of economic crime on businesses**

- Loss of income ✓ if the money was stolen from a business ✓
- Loss of jobs ✓ if a business closes down. ✓
- Businesses lose ✓ investors. ✓
- Leads to a decrease in investors' confidence ✓ resulting in poor economic and business growth. ✓✓
- Any other answer related to impact of economic crime on businesses.

**Max. (4)**

4.5 **Reasons why businesses lobby**

- Businesses lobby their regulator or supervisory body in order to try influence prices, policies, regulations and other decisions made by the regulator or the supervisory body ✓✓
- Businesses or people lobby or change laws like, child labour laws, clean air and water laws, municipal regulations, etc. ✓✓
- Their views are important and heard, thus making a difference and giving solutions to business challenges. ✓✓
- Lobbying advances business men's cause and builds public trust. ✓✓
- Any other answer related to the reasons why business lobby

**Max (4)**



QUESTION	MARKS
4.1	2
4.2	4
4.3	4
4.4	
4.4.1	2
4.4.2	4
4.5	4
<b>TOTAL</b>	<b>20</b>

(20 MARKS)

**TOTAL SECTION B: [40]****SECTION C****QUESTION 5: BUSINESS ENVIRONMENTS****5.1 Introduction**

- The macro environment is part of the external business environment as it falls immediately outside the business. ✓
- Businesses have no control over the challenges of the macro environment and rather need to adapt to it. ✓
- Businesses has less or partial control over challenges of the market environment. ✓
- Businesses should choose a way to get involved in the macro environment that suits their businesses. ✓
- Any other relevant introduction related to components and challenges of the business market and macro environment

**(Any 2 x 1) (2)****5.2 The components of the macro environments**

- Physical/Natural environment/forces those are present in the natural environment/the availability of natural resources and sustainability of mineral resources. ✓✓
- Economic environment/Global and local economic forces/Government monetary and fiscal policies that have a direct impact. ✓✓
- Social/Cultural/Demographic environment/people and factors that influence and direct consumer behaviour/includes people, cultural backgrounds and income levels. ✓✓
- Technological environment/new technologies that created a 4th industrial revolution. ✓✓
- Legal/Political/all the laws and legislation that business must comply with/Regulations passed by government influence the way in which businesses operate. ✓✓
- International/Global environment/Global and international forces that influence business operations/businesses having to keep up with global trends/international trading relations. ✓✓
- Institutional environment/Institutions that provide a series of services to business enterprises/government that consumes/provides goods and services. ✓✓
- Any other relevant answer related to the components of the macro environment.

**Max. (10)**

### 5.3 Reasons why business have less control over the market environment and no control over the macro-environment

#### - Market environment

- The market environment refers to influences that have an impact on the success in forming ✓ and keeping a sustainable business such as competition and suppliers. ✓
- Businesses can influence their competitors ✓ by increasing the quality of their products in relation with competitor prices. ✓
- The opposite can also be that suppliers' raw materials can influence the quality ✓ of business products. ✓
- Any other relevant answer related to market environment

#### - Macro environment

- The market environment refers to the major external and uncontrollable factors ✓ that influence an organization's decision making. ✓
- These factors include the economic/demographics ✓ /legal/political/social conditions/technological changes and natural forces. ✓
- The above mentioned factors affect business performance ✓ and strategies. ✓
- The external environmental conditions that affect a business ✓ are generally beyond the control of management and change constantly. ✓
- Any other relevant answer related to macro environment

**Max (12)**

### 5.4 The challenges of the market environment:

#### - Competition.

- Other businesses which sell similar substitute products ✓ pose a problem to/threaten the success of a business. ✓
- It is difficult to compete with businesses selling the same products and services ✓ in certain countries. ✓
- If a business is not able to match the quality of service/products ✓ and the price of its competitors, it will be in real danger. ✓
- The challenges around competitors can be industry rivalry ✓ where businesses aim to sell more than competitors/new entrants with better products/cheaper or better substitutes. ✓
- Businesses could find that they are unable to make sufficient profit ✓ when the demand is not high enough to support the supply of the same goods/ services. ✓
- Essential for a business to have a regular supply ✓ of all the materials that are inputs in the production process. ✓
- Dissatisfied customers can damage the reputation ✓ and threaten the future of the business. ✓
- Any other relevant answer related to challenges of the market competition

**Sub-max (8)**

#### - Socio-cultural factors

- Social-cultural factors describe the common behaviour ✓ and attitudes of a particular society. ✓
- As society changes so will the cultural values ✓ and practices of individuals. ✓



- Businesses must be aware of change and that they can avoid threats ✓ and take advantage of the new opportunities that the change may present. ✓
- Businesses should be aware of social trends ✓ and influential campaigns that promote buying. ✓
- The challenge is to gather information about changes and to respond to them ✓ by adapting practices to maintain and increase its customer base. ✓
- Any other relevant answer related to the socio-cultural factors

**Sub-max (6)**  
**Max (14)**

**5.6 Ways in which business can overcome competition in the market.**

- Management must ensure that the business differentiates itself from the competitors by tapping into what the customer wants. ✓✓
- Offering more personal services by being responsive to the customer's needs/ expectations. ✓✓
- Offering low-cost extras such as improved credit terms/discounts/loyalty schemes etc. ✓✓
- Charging the lower prices than that of the other businesses. ✓✓
- Selling products of superior quality/new products/services that the customers might be interested in. ✓✓
- By being the best employer that has well trained/knowledgeable staff members ✓ that create a better working atmosphere. ✓✓
- Stepping up the marketing of the business by using promotional ideas such as posters or campaigns on social media. ✓✓
- Updating the image of the business such as painting the front of the premises/ making the business looking modern/ inviting. ✓✓
- Keeping up with developments in the sector of the business sector, following consumer trends/investing in new technology. ✓✓
- Improving on customer services and keeping them happy. ✓✓
- Any other relevant answer to ways in which business can overcome market competition

**Max (10)**

**5.7 Conclusion**

- Businesses must be aware of all of the components of the micro, market and macro environment. ✓
- Businesses have to pay careful attention to the challenges from the macro environment and devise strategies to respond to these challenges. ✓
- Businesses that are involved in the macro environment will benefit in the short and the long run. ✓
- Any other relevant conclusion related to components and challenges of the business market and macro environment

**(Any 1 x 2) (2)**  
**[4]**

**QUESTION 5: BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	
Outline the components of the macro-environment	10	<b>MAXIMUM 32 MARKS</b>
Reasons why business have less control over the market environment and no control over the macro-environment	12	
Discuss the challenges of the market environment: - Competition. - Socio-cultural issues	14	
Suggest ways in which business can overcome competition in the market.	10	
Conclusion	2	
<b>INSIGHT</b>		<b>8</b>
Layout	2	
Analysis/ interpretation	2	
Synthesis	2	
Original/Examples	2	
<b>TOTAL MARKS</b>		<b>40</b>

LASO - For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.

**QUESTION 6: BUSINESS ENVIRONMENTS****6.1 Introduction**

- Various role players, for example, the government, employer organisations and labour unions, influence the economy. ✓
- The business community aims to produce goods and services in order to maximize profits. ✓
- Employees join trade unions so that they can have some influence on the improvement of working conditions. ✓
- Businesses have the responsibility to become more socially responsible by giving back to communities. ✓
- Any other relevant introduction related to the projects that can be undertaken by businesses as part of social responsibility.

**(Any 2 x 1) (2)**

**6.2 The roles of trade unions**

- Serves as mechanism through which employees have a collective voice in the workplace. ✓✓
- Unions communicate to the company's management the members' grievances such as unfair dismissal, low wages and conditions of services. ✓✓
- They ensure that the employers include employees in the decision making process. ✓✓
- They ensure that employees are treated fairly and respected. ✓✓
- Unions are involved with social dialogue regarding poverty alleviation, job creation and wealth distribution. ✓✓
- Any other relevant answer to the roles of trade unions

**Max (8)****6.3 The purpose of the Labour Relations Act**

- Provides a framework where the employees, trade unions and employers work together✓ to discuss matters relating to employment, e.g. wages, conditions of employment. ✓
- Promotes orderly negotiations and employee participation✓ in decision making in the workplace. ✓
- Promotes resolution✓ of labour disputes. ✓
- Promotes fair✓ employment practices. ✓
- Outlines the relationship between employees✓ and employers. ✓
- Provides simple procedures✓ for the registration of trade unions and employers' organizations. ✓
- Regulates the rights of trade unions and facilitates✓ collective bargaining. ✓
- Regulates the effectiveness of bargaining councils✓ and statutory councils. ✓
- Establishes workplace forums✓ to promote the interest of all employees in the workplace whether they belong to the trade union or not. ✓
- Allows workplace forums✓ where employees may participate in decision making. ✓
- Establishes the Commission for Conciliation, Mediation and Arbitration (CCMA) to resolve labour disputes✓ through statutory conciliation, mediation and arbitration. ✓
- Endorses the right to strike against retrenchments✓, and facilitates labour disputes. ✓
- Clarifies the transfer✓ of contracts of employment procedures. ✓
- Establishes Labour Courts and Labour Appeal Courts✓ to deal with labour issues. ✓
- Deals with strikes✓ and lockouts and workplace forums. ✓
- Establishes workplace forums to promote✓ the interest of all employees in the workplace whether they belong to the trade union or not. ✓
- Advances economic development/social justice/labour peace✓ to ensure the workplace maintains the basic rights of employees. ✓
- Any other relevant answer related to the purpose of the Labour Relations Act

**Max. (14)**

**6.4 Functions of trade unions**

- Protecting their members against unfair labour practices ✓ in the workplace. ✓
- Empowering employees by educating them ✓ regarding their rights in the workplace and how to apply these rights. ✓
- Representing employees in meetings ✓ with their employers when they face workplace grievances and disputes/Representing employees corporately and individually. ✓
- Negotiating/Influencing management ✓ for better working conditions, salary or wages and other benefits to improve the standard of living for workers/Improving the material benefits of their members. ✓
- Protecting employees ✓ against/from unfair dismissals and labour practices, ✓
- Taking legal action on ✓ behalf of their members when necessary. ✓
- Protecting/Advancing the interest ✓ of workers. ✓
- Representing the interest of general society and minority groups ✓ through media and negotiations. ✓
- Influencing government decisions. ✓
- Providing benefits and educational facilities ✓ to its members. ✓
- Providing legal and financial ✓ advice. ✓
- Supporting and promoting gender equality ✓ in the workplace. ✓
- Protecting members ✓ in times of retrenchments and disciplinary ✓ hearings. ✓
- Protecting the interest of their members ✓ during disciplinary procedures. ✓
- Any other relevant answer related to the function of trade unions.

**Max. (14)****6.5 Projects that can be undertaken by businesses as part of social responsibility**

- Businesses must allow employees to get involved in social development programmes. ✓✓
- Businesses must protect the environment and participate in community upliftment programmes. ✓✓
- Engage in environmentally friendly campaigns such as recycling or re-using scarce resources. ✓✓
- Businesses must support less fortunate people, by providing donations to charity organisations/Charitable contribution towards NGOs/Businesses can donate blankets to old age homes/running soup kitchens. ✓✓
- They can also engage in economic development and provide education on HIV/AIDS awareness programmes. ✓✓
- Involvement in community education/Build schools in communities/Offer bursaries to needy students/Donate old computers to less privileged schools/Provide/Support adult education and training in the local community. ✓✓
- Teach entrepreneurial skills/Offer support to individuals starting new business ventures. ✓✓
- Conduct skills development/job creation projects/Offering bricklaying courses. ✓✓
- Sponsor art and cultural programmes, such as school choirs. ✓✓
- Support youth programmes, such as sport/recreational activities. ✓✓
- Any other relevant answer related to projects that can be undertaken by businesses as part of social responsibility.

**Max. (10)**

**6.6 Conclusion**

- Adapting to challenges of the business environment can be achieved by businesses if management stay abreast with the latest developments. ✓
- Social responsibility projects undertaken by businesses can be used as a marketing strategy to promote their products. ✓
- Strikes represent the final stage of dispute/disagreement between management and employees and should be avoided at all costs. ✓
- Trade unions are involved in ways to address poverty reduction, job creation and ways to create more equitable income and wealth distribution. ✓

(Any 1 x 2)(2)  
[40]

**QUESTION 6: BREAKDOWN OF MARKS ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	
Mention roles of trade unions in the workplace.	8	<b>MAXIMUM 32 MARKS</b>
Discuss the purpose of the Labour Relations Act	14	
Explain the functions of trade unions	14	
Recommend projects that can be undertaken by businesses as part of social responsibility	10	
Conclusion	2	
<b>INSIGHT</b>		<b>8</b>
Layout	2	
Analysis/ interpretation	2	
Synthesis	2	
Original/Examples	2	
<b>TOTAL MARKS</b>		<b>40</b>

LASO - For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.